



The Dotted Line: Why Overlooking General Conditions Can Derail a Construction Contract, Construction Dive, ft. Andrew Richards

Andrew Richards, Co-Managing Partner at Kaufman Dolowich & Voluck, LLP in Long Island, was quoted in an article written by Kim Slowey for Construction DIVE, (April 12, 2016) —

You've just signed a major construction contract, and you know everything you think you need to know — price, scope of work, directions on sending certificates of insurance, start date and estimated completion date. Unfortunately, some contractors consider all the additional "stuff," or that pile of fine print called the general conditions attached to the back of the first few important pages, to be just standard and nothing to worry about.

They look at scope, price and insurance, and that's it," said Andrew Richards, co-managing partner at Kaufman Dolowich & Voluck. Richards noted that many times, a client will come to him seeking advice after the contract has been signed and when there's already a problem arising from the language in the general conditions.

Is legal advice necessary?

Does this mean a contractor should always seek an attorney's advice on every contract? Some experts say the answer isn't always yes. Richards said it depends on the contract's size and time span. "The amount of the contract governs how much time you put into the review and negotiations," he said. But Richards added that if the contract is for no more than four or five months, or if the contractor doesn't have much at stake financially, "You don't want to over-lawyer it."

Termination clauses

Finally, there are the termination clauses. When and for what reason can a contractor be fired? While there are always termination clauses for breach of contract, it's important to include a satisfactory "cure" period, which gives a contractor reasonable time to fix whatever problem brought about the notice of termination, Richards said.